

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-v-

EDWARD BRONSON and E-LIONHEART  
ASSOCIATES, LLC, d/b/a FAIRHILLS CAPITAL

Defendants,

-and-

FAIRHILLS CAPITAL, INC.,

Relief Defendant.

ORDER

No. 12-CV-6421 (KMK)

KENNETH M. KARAS, United States District Judge:

The Court will hold a hearing on June 3, 2021 at 1:30 P.M. to resolve the ongoing disputes regarding Edward Bronson's production of documents and the status of his compliance with the Court's January 19, 2021 Order. (Dkt. No. 223.) At a minimum, Mr. Bronson and his wife, Dawn Bronson, should be prepared to testify under oath and respond to questions from the Court and the SEC. By no later than May 21, 2021, the SEC should notify the Court whether there are additional witnesses—such as John Kellas—whom it wishes to question at the hearing, in which case the Court will order these additional witnesses to appear.

Separately, the Court notes that although Mr. Bronson's counsel, Paul Rachmuth, provided approximately 200 documents to the Court for *in camera* review on May 1, 2021, Mr. Rachmuth failed to specify the basis for withholding each document as ordered by the Court on April 7, 2021. (Dkt. No. 238).<sup>1</sup> Mr. Rachmuth is therefore instructed to provide the Court with

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<sup>1</sup> In his affirmation filed on April 30, 2021, Mr. Rachmuth suggests that the 151 emails provided for *in camera* review were being withheld on the basis of relevance. (See Apr. 7

supplemental documentation indicating the basis for withholding each document that was provided to the Court for *in camera* review. He should provide this supplemental documentation no later than May 21, 2021.

Finally, Mr. Rachmuth is instructed to respond to the SEC's May 11, 2021 letter, (Dkt. No. 240), no later than May 21, 2021. In particular, Mr. Rachmuth should address the troubling allegation that Mr. Bronson is using Mr. Kellas as a nominee to control the Top Knot entities, and is now "using Top Knot to fund [his] family expenses in much the way [he] used V2IP." (*Id.*) Mr. Rachmuth should also address the SEC's proposed payment plan. (*See id.*)

SO ORDERED.

DATED: May 14, 2021  
White Plains, New York



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KENNETH M. KARAS  
UNITED STATES DISTRICT JUDGE

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Rachmuth Aff. ¶¶ 6–7 (Dkt. No. 239).) If that is the case, he should so state explicitly. As far as the Court can discern, Mr. Rachmuth has not specified the basis for withholding the 41 bank statements and seven additional financial documents that were submitted to the Court for *in camera* review.